

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

DAVID HOUGH; *et al.*

Plaintiffs,

vs.

RYAN CARROLL; *et al.*

Defendants.

Case No.: 2:24-cv-02886-WLH

**[PROPOSED] ORDER GRANTING  
PLAINTIFFS' MOTION FOR  
SANCTIONS AGAINST ORIGINAL  
JURISDICTIONAL DEFENDANTS**

Hearing: June 28, 2024, 1:30 pm  
Presiding Judge: Hon. Wesley L. Hsu  
Trial Date: N/A

**[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR  
SANCTIONS AGAINST ORIGINAL JURISDICTIONAL DEFENDANTS**

The Court GRANTS Plaintiffs' Motion for Sanctions against the Original Jurisdictional Defendants.<sup>1</sup> The evidence in Plaintiffs' Motion demonstrates that Defendants have acted in bad faith in failing to comply with the Court's prior discovery orders. (ECF 17; ECF 38).

<sup>1</sup> The "Original Jurisdictional Defendants" are the defendants named in the original complaint: Ryan Carroll; Max K. Day; Max O. Day; Michael Day; Yax Ecommerce LLC; Precision Trading Group, LLC; and WA Distribution LLC.

1 Therefore, Ryan Carroll, Max K. Day, Max O. Day, and Michael Day are  
2 ORDERED to report to the United States District Courthouse at 350 W 1st Street,  
3 Los Angeles, CA 90012 within the next forty-eight hours. They shall be incarcerated  
4 until they show the Court that they have substantially complied with the Court's prior  
5 discovery orders.  
6

7 Furthermore, the Court ORDERS that William Shibley and the law firm Lloyd  
8 Mousilli jointly pay to the Court, within the next ten business days, a fine equal to  
9 \$66,000 (\$1,000 for each day between when the Court ordered Defendants to disclose  
10 their assets—April 22, 2024—and the date of the hearing on the Motion for  
11 Sanctions—June 28, 2024). Furthermore, William Shibley and the law firm Lloyd  
12 Mousilli will pay \$1,000 for each day that Defendants have not complied with the  
13 Court's prior orders from June 29, 2024 into the future. Defendants shall make each  
14 such daily-fine payment no later than two weeks after each day of non-compliance. If  
15 a class is later certified in this case, the fines Defendants have paid pursuant to this  
16 paragraph will be distributed to the class.  
17

18 Furthermore, the Court ORDERS Defendants to pay Plaintiffs a sum equal to  
19 \$400 multiplied by the number of hours that Plaintiffs' attorneys Nico Banks and  
20 Richard Nervig have spent on work that would not have been required but-for  
21 Defendants' failure to comply with the Court's prior discovery orders. Defendants  
22 shall also pay any costs that Plaintiffs have incurred that would not have been  
23 necessary but-for Defendants' failure to comply with the Court's prior discovery  
24 orders.  
25

1 orders. Plaintiffs shall send Defendants an accounting of all such hours worked and  
2 costs within the next ten business days, and William Shibley and Lloyd Mousilli shall  
3 make the required payment within ten business days after they have received the  
4 hours and costs from Plaintiffs.  
5

6 The monetary fines to be paid by William Shibley and Lloyd Mousilli shall not  
7 be paid from funds that they have received from Defendants.  
8

9 **IT IS SO ORDERED.**

10  
11 Date: \_\_\_\_\_

\_\_\_\_\_  
12 HON. WESLEY L. HSU  
13 UNITED STATES DISTRICT JUDGE  
14  
15

16 Dated: May 31, 2024

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